

1999 Annual Report



Preparing for the next millennium



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The North Carolina Judicial Branch

Preparing for the Next Millennium: 1999 Annual Report

This report highlights judicial branch activities during calendar year 1999 and includes statistical and financial data from fiscal year 1998-99. In addition, the Administrative Office of the Courts publishes a comprehensive annual *Statistical and Operational Supplement to the Annual Report of the Judicial Branch of Government*. This report can be obtained by contacting the Administrative Office of the Courts at 919-733-7107.

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Message from the Chief Justice and AOC Director

Dear friend of the court:

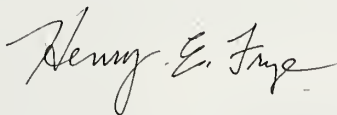
As described in this report, 1999 was an eventful year for the judicial branch of North Carolina. Great strides were made to enhance services to the families and citizens of our state, improve court operations and begin to utilize new court technologies.

Although much was accomplished, much more needs to be done, and the challenges for the future are formidable. We must continue to explore new approaches to address the interconnected needs and problems of families. We must make our courts more accessible to our increasing non-English speaking population. We must redouble our efforts to restore the public's confidence and trust in our judicial system. Most importantly, we must harness and master new technologies in order to improve productivity, streamline operations, increase public safety and provide better service to the citizens of our state.

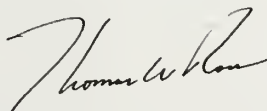
Meeting the expectations of the 21st century will require vision, commitment and, most importantly, additional resources. Compared to the rest of the nation, North Carolina's judicial branch has been traditionally underfunded and understaffed. Despite this reality, our unified court system has long served as a model for other states.

In order to maintain our national leadership role, keep pace with an ever increasing workload and provide the level of service that our public deserves, it is essential that we secure the additional resources needed to move our court system into the 21st century. This will be our greatest challenge as we enter the new millennium!

Sincerely,



Henry E. Frye, Chief Justice
N.C. Supreme Court



Thomas W. Ross, Director
Administrative Office of the Courts



Henry E. Frye
Chief Justice
N.C. Supreme Court



Thomas W. Ross
Director, Administrative
Office of the Courts

The North Carolina judicial branch is one of three separate and co-equal branches of state government. North Carolina has a unified court system characterized by standard policies and procedures, state funding for all court officials and district attorneys, a uniform fee structure, and a separate statewide administrative arm. The judicial branch employs more than 5,300 employees, covering all 100 North Carolina counties and administers a total budget of nearly \$350 million. Following is a very brief overview of the courts and other components of the judicial branch.

The North Carolina Judicial Branch

The North Carolina court system is a general court of justice consisting of an appellate division and two trial divisions: the Superior Court and the District Court.

Appellate Division

■ **Supreme Court:** The seven-member Supreme Court is the state's highest court and decides questions of law in civil and criminal cases on appeal or upon discretionary review from the Court of Appeals. The Supreme Court has the power to control and supervise the proceedings of other courts and has the authority to set court schedules and promulgate rules of practice and procedure for the trial courts. The voters elect the chief justice and the six associate justices of the Supreme Court for eight-year terms.



■ **Court of Appeals:** The 12-judge Court of Appeals is North Carolina's intermediate appellate court and sits in panels of three to hear appeals from the state's trial courts, from the Industrial Commission and from final orders and decisions of certain administrative agencies. The voters elect the judges on the Court of Appeals for eight-year terms, and the chief justice appoints the chief judge from among the members.

Trial Divisions

■ **Superior Court Division:** The Superior Court has jurisdiction over the most serious criminal cases (felonies) and civil cases (more than \$10,000 at issue). Superior Court is held in the county seat of each of North Carolina's 100 counties. For administrative purposes, the counties are grouped into 46 judicial districts, each with a senior resident Superior Court judge who exercises administrative authority. These districts are further grouped into eight judicial divisions (effective Jan. 1, 2000), and Superior Court judges rotate among the counties in their division. Superior Court judges are elected by the voters for eight-year terms. As of June 30, 1999, there were 90 Superior Court judges. There were also 10 special Superior Court judges, appointed by the governor, who preside over court as needed throughout the state.

♦ **Clerks of Superior Court:** The clerk of Superior Court is a judicial officer of the Superior Court division. The clerk exercises the judicial power of the state in the probate of wills, administration of estates and the handling of special proceedings such as adoptions and foreclosures. Clerks are also the official custodians of the records of both the Superior and District Courts in their counties and are responsible for receiving, investing and disbursing all funds paid into or through the court. There is a clerk for each of North Carolina's 100 counties, all elected for four-year terms.



■ **District Court Division:** District Court has jurisdiction over preliminary matters in felony cases and over the trial of all misdemeanors and infractions. In civil cases, it is the proper court for all actions involving \$10,000 or less. It has exclusive jurisdiction over all juvenile proceedings, mental health hospital commitments and domestic relations cases. There is a District Court in each of the state's 100 counties. For administrative purposes, District Courts are organized into 39 statewide districts, each with a chief District Court judge who exercises administrative authority. District Court judges are elected by the voters for four-year terms. As of June 30, 1999, there were 217 District Court judges in North Carolina.

♦ **Magistrates:** The magistrate is a judicial officer of the District Court division. In criminal cases, magistrates issue arrest and search warrants, conduct initial appearances and determine conditions of pretrial release. For some crimes they may accept guilty pleas, impose punishment and even conduct trials. In civil cases, they preside over the trial of small claims (\$4,000 or less). At least one magistrate is appointed in each county as an officer of the court. Candidates are nominated by the clerk of Superior Court, appointed by the senior resident Superior Court judge and supervised by the chief District Court judge. As of June 30, 1999, there were 703 authorized magistrates in North Carolina.



The North Carolina Judicial Branch (continued)

Other Major Court Components

- **District Attorneys:** District attorneys represent the state in all criminal actions brought in Superior and District Court and all juvenile delinquency cases in which the juvenile is represented by an attorney. The district attorney is also responsible for calendaring criminal cases for trial. The state is divided into 39 prosecutorial districts, and the voters of each district elect the district attorney for a four-year term. In addition, each district attorney may hire assistant district attorneys as provided by statute. As of June 30, 1999, there were 39 elected district attorneys and 425 assistant district attorneys authorized throughout North Carolina.



- **Public Defenders and Other Representation for Indigent Persons:** As required by the constitution, the state provides legal counsel in a variety of actions and proceedings for defendants who have been determined by a judge to be financially unable to hire their own attorneys. As of June 30, 1999, most representation of indigent persons was provided by state-hired public defenders in 13 counties. Public defenders are appointed by the senior resident Superior Court judge for four-year terms and may employ assistants as authorized by the Administrative Office of the Courts. In the remaining counties, representation is provided by private attorneys appointed by a judge or the clerk. There is also an Appellate Defender Office to handle criminal defense services for indigent persons who appeal convictions to the Supreme Court or the Court of Appeals.

- **Trial Court Administrators:** These administrators assist in managing the day-to-day operations of the trial courts. Their responsibilities include civil case calendaring, jury utilization and establishing and managing local court rules. There are currently 11 trial court administrators, serving 13 of the state's 46 Superior Court districts. Trial court administrators are appointed and supervised by the senior resident Superior Court judge.



■ **Administrative Office of the Courts:** The Administrative Office of the Courts (AOC) is the administrative arm of the judicial branch. The AOC provides statewide support services for the courts, including information, technology, personnel, financial, legal, research and purchasing services. In addition, the AOC prepares and administers the court system budget of nearly \$350 million and employs more than 400 people. The director of the AOC is appointed by the chief justice but has independent statutory responsibility for the administration of the court system.

■ **Judicial Branch Commissions:** The judicial branch includes two long-standing commissions and one newly created commission.

◆ **Judicial Standards Commission:** This seven-member commission is the appropriate agency for the investigation of complaints concerning the qualifications of any justice or judge of the General Court of Justice. The commission was created by the General Assembly in 1972, pursuant to a constitutional amendment approved by the voters.



◆ **Sentencing and Policy Advisory Commission:** This 30-member commission is responsible for developing recommendations regarding the appropriate sentencing of felons and misdemeanants in North Carolina. The commission also monitors adult and juvenile sentencing practices in the state, publishes annual statistical data and projects state prison and local jail populations. The commission was created by the General Assembly in 1990.

◆ **Chief Justice's Commission on Professionalism:** This 16-member commission's mandate is to encourage professionalism within the practice of law in North Carolina and to raise the public's perception of the court system. The commission was created by the North Carolina Supreme Court in 1998.

During the past year, the North Carolina judicial branch has focused on providing better services to families and citizens, improving court operations to make them more effective and efficient, and seeking ways to utilize new technology to provide better services to the citizens of North Carolina.

Serving Families and Citizens:

The North Carolina judicial branch has placed increased emphasis on serving children, families, victims and other citizens in need across the state. Following are some of the major highlights and accomplishments in this area.

■ **Family Courts:** The 1998 legislation establishing the Office of Juvenile Justice included authorization for the Administrative Office of the Courts to

Major Highlights and Accomplishments

experiment with unified Family Courts. In 1999, Family Court pilot

programs were established in districts 14, 20 and 26. Family Courts coordinate all case management and service agency efforts for a single family in distress, to better serve that family and provide more consistent, efficient use of trial court time. Each contested divorce or juvenile matter is assigned to one judge for all court action. Non-trial means of resolving the case, such as mediation, are used to settle these disputes, if possible, before resorting to an adversarial trial.



■ **Custody Mediation:** This highly successful program was expanded from 48 counties to 55 counties. The program provides parties who have unresolved issues about custody or visitation with a non-adversarial alternative to traditional litigation. The program helps parents step back from their own conflict and focus on the best interests of their children. In most cases, parents are required to participate in this program before proceeding through the traditional court system. The mediators selected are highly skilled and must meet rigid training and experience requirements. Through this program, many parents are able to reach mutual agreement regarding the structure and parameters of child custody without returning to the court system.

■ **Mediation of Family Financial Matters:** This pilot project was implemented in 18 North Carolina counties. It helps families involved in financial disputes surrounding child support, divorce or alimony reach settlement outside of the traditional court system through mediated conferences. Parties may be ordered by the judge to participate in this program and to complete the process within a prescribed period. Mediators must meet extensive training and experience requirements and, in most instances, must be certified by the Dispute Resolution Commission. An evaluation is planned to measure the success of the project in reducing court time and increasing settlements.

■ **Guardian ad Litem:** The program, which provides court advocacy services for abused and neglected children, expanded its capacity to recruit, train and

supervise sufficient numbers of volunteers to serve the 16,000 child-clients of the program. With grant funding, the program launched four new initiatives: 1) hired a recruiter to target 10 programs where recruitment has been a challenge, 2) hired a training coordinator, 3) hired a corporate resource development specialist to tap into corporate volunteer resources, and 4) hired an attorney pro-bono recruiter to solicit members of the bar to represent child clients.

■ **Juvenile Law Changes:** The General Assembly enacted sweeping changes to the state's juvenile laws and the structure of its juvenile justice system. New juvenile sentencing policies were implemented, loosely modeled after the adult structured sentencing law. The Juvenile Services Division of the Administrative Office of the Courts was merged with the Division of Youth Services of the Department of Health and Human Services to form a new Office of Juvenile Justice in the Governor's Office.

■ **Drug Treatment Courts:** Programs were operational in eight counties during 1999. Drug Courts are an innovative court-based intervention wherein the judge, prosecutor, defense attorney, probation officer, community policing officer and treatment case manager work together in a non-adversarial fashion to help ensure that chemically dependent offenders receive appropriate treatment and are held strictly accountable for their behavior while in the program. Offenders participate for a minimum of one year and typically appear before a specially trained judge on a biweekly basis. The judge closely monitors the participant's progress and may order sanctions and/or rewards, as appropriate, to promote success.



■ **Court-Ordered Arbitration:** As of June 30, 1999, arbitration programs were operating in 33 Superior Court districts, covering 69 counties. In these counties, civil cases involving claims totaling \$15,000 or less are subject to court-ordered, nonbinding arbitration. As a rule, arbitration hearings are limited to one hour, take place in the courthouse and are conducted by a trained and approved attorney-arbitrator who is either appointed by the court or selected by the parties. In many cases, the arbitrator's award becomes the final judgment or basis for settlement, without the need for a trial.

■ **Victims' Rights Act:** Actions were taken to implement relevant provisions of the Victims' Rights Act that became effective July 1, 1999. Steps were taken to ensure that victims were given a full opportunity to present impact statements prior to criminal sentencing, to mandate that victim restitution be ordered by judges in all appropriate criminal cases and to require that victim restitution be docketed and enforced as a civil judgment as directed by statute. Full implementation of the Act required substantial training of court personnel and significant changes to forms and procedures.

Major Highlights and Accomplishments (continued)

Improving Court Operations

During the past year, the North Carolina judicial branch continued to search for ways to improve court operations and to make them more efficient and effective. Following are some of the accomplishments and highlights in this area.

■ **Indigent Defense Study Committee:** Over the past several years, the General Assembly and the court system have been concerned about the increasing costs of representing indigent defendants. In 1998, the General Assembly established a study commission to examine the state's programs for indigent defense and make recommendations for improvement. This committee met frequently during 1999 to develop recommendations regarding ways to better control costs and administer programs in the future. The committee will report its recommendations in the year 2000.

■ **Bad Check Pilot Program:** The program continued to operate in Columbus, Durham and Rockingham counties and was initiated in Wake County. It facilitates the collection of restitution in a more timely manner than the traditional court process and eliminates the need to prosecute each bad check case. The writer of a bad check pays a \$50 fee to the state and pays restitution to the merchant or individual that accepted the check within thirty days of receiving a notification letter from the district attorney. By so doing, the injured party promptly receives restitution, and the party who wrote the bad check avoids criminal prosecution.



■ **Sentencing Services (formerly Community Penalties):** The General Assembly made statutory revisions (effective January 2000) to rename "Community Penalties" to "Sentencing Services." The law enables the programs to work more closely with the bench and develop sentencing plans to help judges make the most effective use of available treatment and correctional resources in criminal cases. All programs across the State began using the same initial screening instruments for offenders: the *Level of Service Inventory-Revised* and the *Adult Substance Use Survey*. These research-derived assessment instruments evaluate the risk of failure under community supervision and the level of intervention needed to improve a probationer's probability of leading a law-abiding life.

Utilizing Technology

Following the lead of the private sector, the judicial branch continued to seek ways to utilize new technologies to improve court processes and to provide better service to the citizens of North Carolina. Following are some of the accomplishments and highlights in this area.

■ **Strategic Information System and Technology Plan:** As required by the General Assembly, the courts contracted with GartnerGroup Consulting, the world's leading authority on information technology, to develop a strategic plan for modernizing the court system and improving its technology and information systems. The GartnerGroup has delivered the following products: 1) a *Strategic Information Systems and Technology Plan*, 2) a comprehensive *Information Technology Assessment*, 3) a review of the court system's *Information Technology Organization*, 4) a detailed technology *Migration Plan* for getting from where we are to where we need to be in five years and 5) an *Executive Summary*. This plan provides the court system with a technological road map for the future.

■ **Courtflow:** By the end of the year, this computerized case management system was operational in courts in 56 counties. The system automates criminal Superior Court proceedings, produces forms ready for signature by the judges and interfaces with the courts' main criminal information computer system. The program produces many significant efficiency benefits for

the courts and the court system. Full statewide implementation is expected during 2000. This system was recognized in an article in the publication *CIVIC.COM* entitled "North Carolina Judges CourtFlow a Success."

■ **Magistrate System:** This system, which automates the warrant process, was operational in 18 counties by the end of the year with statewide implementation expected by early 2001. Several architectural improvements were developed during the latter half of 1999 to enhance the system's performance and to speed up the development of a statewide warrant repository. This system automates many manual processes, speeds up record reporting and will enable law enforcement to be quickly notified when there are outstanding warrants on a criminal offender. This project is an integral part of the state's Criminal Justice Information Network project.

■ **Web Site:** Significant enhancements were made to the judicial branch web page including the addition of 134 court forms available for downloading by attorneys and the public, links to criminal calendars in all 100 counties and public access to currently calendared DWI cases. Furthermore, a "Just for Kids" web site was created and the Dispute Resolution Commission web site was redesigned. The judicial branch web site was named as one of the top 10 court web sites in the United States by *Justice Served*, a national court-related technology consulting company.

■ **E-Citation:** The courts have worked with the State Highway Patrol to develop electronic citation capability and a pilot program to test its effectiveness. Programming has been completed and pilot testing is scheduled to begin in March 2000.

■ **Set-Off Debt Collection:** This system provides an interface from the AOC Civil Case Processing System to the N. C. Department of Revenue to facilitate the repayment of attorney fees by indigent defendants with state income tax refunds. This system was not Y2K compliant and was rewritten during the year. It is scheduled for implementation during the first quarter of 2000.

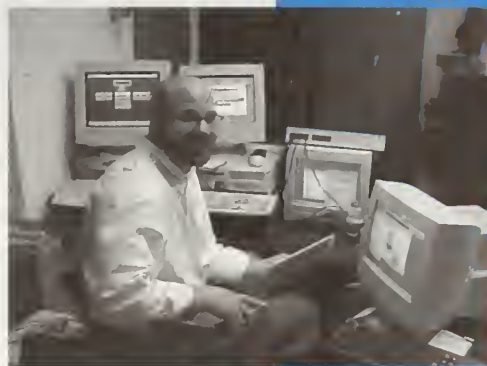


■ **Bond Forfeiture Tracking:** This system records order, party, judgment, service and execution information for bond forfeitures. It generates notice and execution forms and was implemented in 45 counties in 1999.

■ **Child Support:** The federally mandated central collection process was implemented in October 1999. This new process transferred the court's responsibility for the collection and processing of certain child support payments from the clerk's office to a centralized collection site in the Department of Health and Human Services.

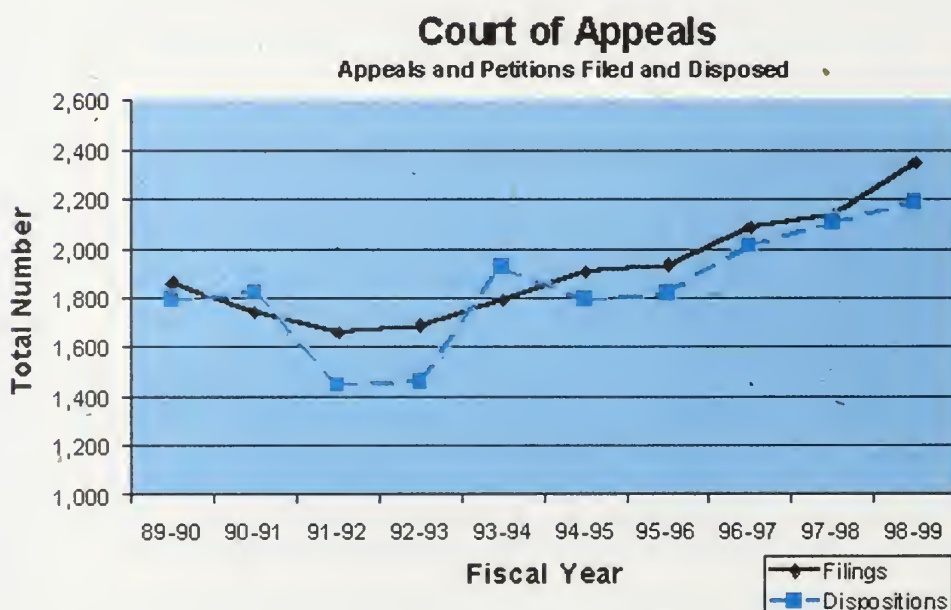
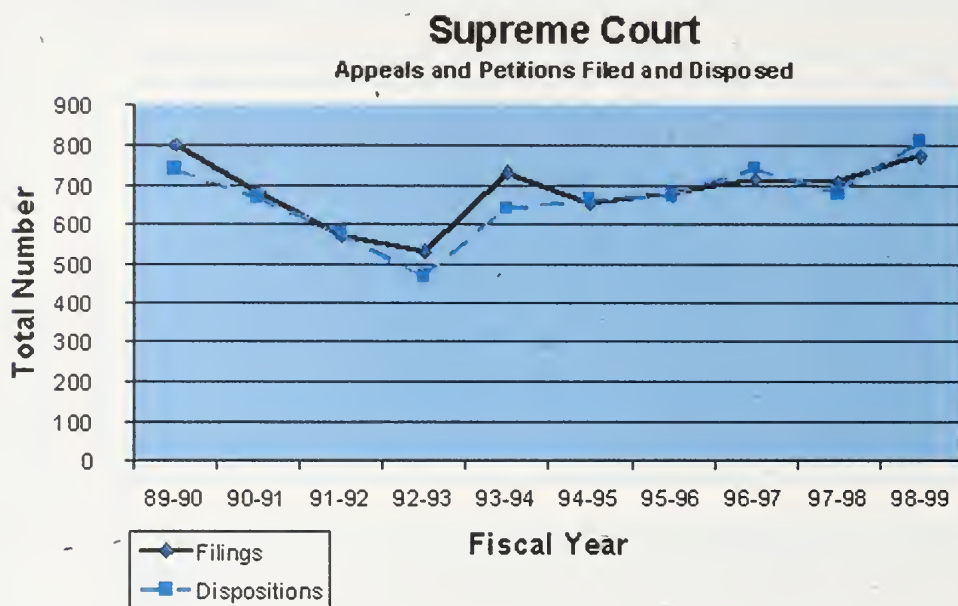
■ **Interactive Voice Response:** This pilot program was implemented in Wake County in November 1999. It enables a caller to inquire as to the status of a court case and to pay certain court costs and fines over the telephone using a major credit card.

■ **Y2K Compliance:** Extensive reprogramming and testing of all systems took place during 1999 to ensure the court systems would not be adversely affected by any potential Y2K computer problems. All systems changed over successfully.



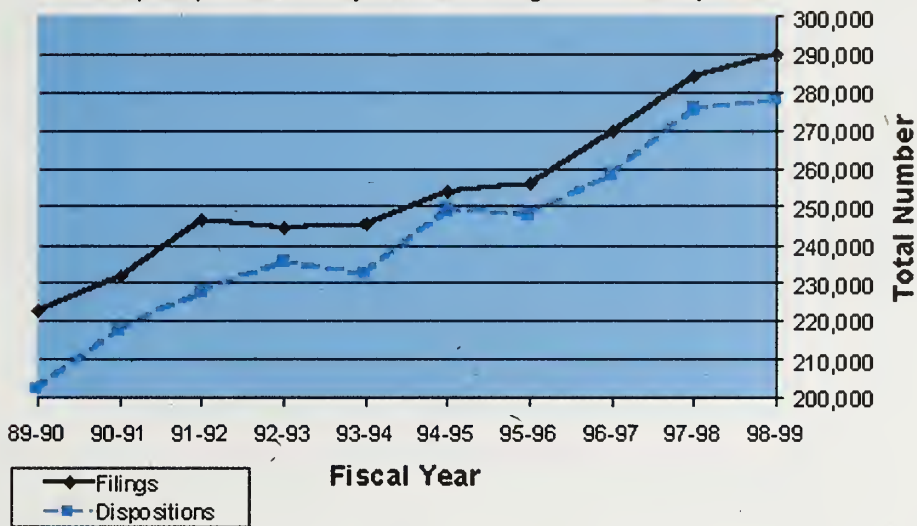
Statistical Workload Highlights

As has been the trend over the past decade, the work demands on the North Carolina judicial system continue to increase. As shown in the following tables, both filings and dispositions increased last year for all courts.



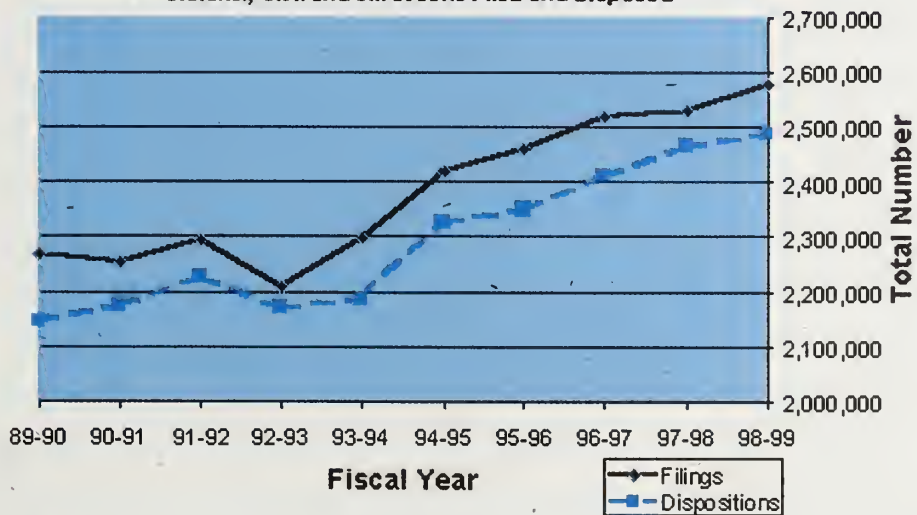
Superior Court

Criminal, Civil, Estates and Special Proceedings Filed and Disposed



District Court

Criminal, Civil and Infractions Filed and Disposed

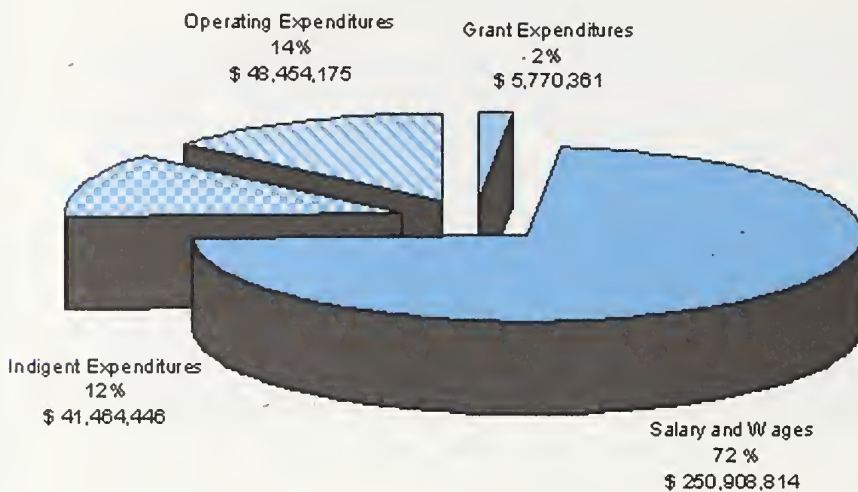




Financial Highlights

The North Carolina judicial branch budget represents less than 3 percent of the total state budget. The following chart shows major court budget expenditures for FY 98-99, and the accompanying table shows the expenditures in specific program areas.

1998-1999 Judicial Branch Actual Expenditures



1998-1999 Judicial Branch Expenditures

Court Component	Expenditures	Percent of total
AOC	\$24,743,315	7.14%
Supreme Ct/Ct of Appeals	\$8,654,092	2.5%
Superior Court	\$27,465,850	7.92%
District Court	\$55,268,477	15.95%
Clerk of Superior Court	\$90,621,532	26.15%
Family Court	\$318,219	0.09%
District Attorney	\$48,246,950	13.92%
Special Programs	\$6,224,404	1.8%
Community Penalties	\$5,702,390	1.65%
Equipment/Supply	\$8,691,822	2.51%
Indigent	\$42,968,841	12.4%
Public Defender	\$11,708,864	3.38%
Special Counsel	\$502,067	0.14%
Guardian Ad Litem	\$6,475,003	1.87%
Grant Expenditures	\$5,770,361	1.66%
Appellate Defender	\$1,025,609	0.3%
State Bar	\$2,210,000	0.64%
Grand Total	\$346,597,796	100%

As we move into the new millennium, both challenges and opportunities lie ahead. Following are some of the major themes that will need to be addressed in the near future.

■ **Technological Advancement:** As chronicled earlier in this report, the AOC contracted with GartnerGroup Consulting to develop a strategic technology and information plan for the North Carolina judicial branch. Following this plan and securing the funds necessary to implement the plan will be the major challenge and the major priority of the court system as we enter the new millennium. North Carolina's court system must take full advantage of emerging "e-based" technologies in order to provide the

Challenges for the Future

level of service that the public demands and deserves. To do so, however, we must make significant investments in our technological infrastructure and must provide our employees with the technological tools they need to increase productivity and lower costs.

■ **Legacy of Hurricane Floyd:** The devastating effects of Hurricane Floyd caused incalculable damage to persons and property throughout eastern North Carolina. The judicial branch was not immune from this damage: courthouses were closed, court sessions were cancelled, court records were damaged and court equipment was lost. In addition, at the request of the governor, the judicial branch gave back \$3.7 million from its operating budget to aid in disaster recovery efforts. These losses, as well as bleaker revenue forecasts for the state, means that the judicial branch will have to work even harder to find the funds needed to improve court operations and make much-needed technological improvements.

■ **Judicial Council:** Beginning in the year 2000, a new legislatively-created Judicial Council will convene for the first time. This council, modeled after similar bodies in other states, will have 17 members appointed by various authorities as specified by statute. The council will study the judicial system, review budgets and budget priorities, study judicial salaries and benefits and recommend the creation of judgeships. This important body should provide the judicial branch with valuable counsel and needed support.

■ **Foreign Language:** As North Carolina's non-English speaking population continues to grow, the North Carolina judicial branch must address the unique needs of these residents. We must meet the challenge of providing interpreter services in a cost-efficient manner and must find ways to make our courts more accessible and understandable to those who speak another tongue. As a first step, the judicial branch has implemented a grant-funded Foreign Language Service Project and has hired a full time project coordinator who began in early 2000.

■ **Therapeutic Courts:** The courts are becoming aware of the need to take a more holistic approach to family-related troubles. Problems such as divorce, domestic violence, child abuse, child neglect, interpersonal conflict, drug addiction and alcohol abuse often cluster within certain families and are passed on to subsequent generations. Addressing only one of these problems or focusing on only one family member at a time may be nonproductive. Our court system must continue to find ways to deal comprehensively with the entire family and their interconnected problems. How we continue to expand and integrate these new "therapeutic approaches" into our traditional court system remains a major challenge for the future.



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